



# Enrichment Market Outlook



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## Introduction

The *Enrichment Market Outlook* is divided into six chapters. **Chapter 1** is a topical essay that focuses on important developments or trends in the market. This issue's essay, "Defying the Limits: Russia's Capacity Optimization," examines the latest status of Russia's enrichment industry with specific analysis of the country's latest efforts to optimize its enrichment capacities, including the possible complete phaseout of the Siberian Chemical Combine (SCC) accomplished through the transportation of working centrifuges from SCC to another enrichment plant in Russia.

**Chapter 2** reviews recent contracting activity in both the spot and long-term enrichment markets and describes some of the key developments and trends that are apparent from recent transaction activity. **Chapter 3** updates world reactor demand and changes to SWU requirements on a regional basis. Demand is then further examined and an estimate of unfilled enrichment requirements over the next decade is discussed. The spot and long-term demand picture for the near term is also analyzed.

**Chapter 4** examines spot and long-term supply sources, including an overview of each of the primary enrichment suppliers and the most significant secondary or inventory supplies of SWU and EUP. **Chapter 5** presents technical analysis of near-term price movements and a detailed update of the Long-Term SWU Price Indicator system.

**Chapter 6** discusses near-term market fundamentals and the market outlook over the next year, provides bullish and bearish arguments as to where market prices could move over the next three years, looks at the longer-term market forces, and presents three scenarios of forecasts for base prices under long-term contracts.

The report contains two appendices. **Appendix A – Forecasting Methodology** details the methodologies used in this report to forecast market price indicators. **Appendix B – Statistical Review** contains expanded tables and figures in addition to those presented throughout the report. It is designed to be used as a standard reference source; providing both historical and current market data.

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## Conventions Used in the Report

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Where annual quantities are given in tables, the years are shown on a calendar as opposed to a fiscal basis. Unless otherwise noted, quantities are expressed in terms of thousands of SWU and prices in terms of US\$/SWU. Price forecasts are presented in current (year-of-delivery) dollars.